REMARKS

Claims 101-125 remain in the application for further prosecution. Claim 101 has been amended. Claims 102-125 have been added. Pursuant to the Examiner's constructive elections, claims 75 and 78-100 have been withdrawn. Applicant is hereby canceling claims 74 and 78-100 without prejudice.

Rejection – 35 U.S.C. § 102

Claim 101 is rejected under 35 U.S.C. 102(e) as being anticipated by U.S. Patent No. 6,908,387 (Hedrick et al.).

Applicant has amended claim 101 to include the elements of transmitting information associated with an individual to the gaming terminal and changing the operation of the gaming terminal "to a first mode associated with the individual or a second mode associated with the individual depending upon at least one of (i) a distance between the portable data unit and the gaming terminal and (ii) a period of time for which the portable data unit is detected as being in the presence of the gaming terminal, the first mode being different from the second mode."

In contrast, Hedrick relates to an interface on a game machine with a device carried by a player. Hedrick is primarily focused on the use of a player tracking smart card and only suggests a portable wireless device carried by a player in place of the smart card. (Col. 10, Il. 46-56). Hedrick does not describe the nature of the wireless device except by indicating it may be the size of a player tracking card. (Col. 10, Il. 50-52). Hedrick is directed toward solving the problem of providing player tracking data even if a player tracking card is not used or is misplaced. (Col. 4, Il. 20-25). Hedrick describes awarding a player credits and other prizes based on game information in a tracking server 120 (Col. 3, Il. 31-46), but does not describe

different modes of operation of the gaming machine depending on the distance or time period for which the wireless device is detected. Hedrick automatically activates a machine function as soon as the portable wireless device comes within range of the player tracker receiver (described as Bluetooth range of approximately 10 meters). (Col. 10, l. 64 to Col. 11, l. 7).

Hedrick does not anticipate amended claim 101. As explained above, Hedrick does not change machine operation from a first mode to a different second mode associated with the individual and dependent on the distance and the time the portable data unit is within the gaming terminal. Claim 101 is thus allowable over Hedrick.

New claim 102 includes the element of operating the gaming machine in a first mode when "detecting the presence of the passerby within a first predetermined distance and/or for at least a first predetermined period of time." Claim 102 also requires operating the gaming machine in a second mode "in response to detecting the presence of the passerby within a second predetermined distance and/or for at least a second predetermined period of time." Hedrick does not anticipate these elements because Hedrick detects the wireless device carried by the passerby as soon as the device and passerby enter sufficient range for communication such as within Bluetooth range. Hedrick does not wait predetermined periods of time or detect the passerby at different predetermined distances. Moreover, Hedrick does not operate the gaming machine in different modes depending on the predetermined period of time or distances as now required by new claim 102. New claim 102 is thus allowable over Hedrick. Applicant has added new claims 103-111 which depend from claim 102 and are similarly allowable.

Applicant has added new claim 112 that includes the features of detecting the presence of a passerby "within a first predetermined distance and/or for a first predetermined period of time"

to modify the operation of the gaming machine according to an attract mode and detecting the

presence of another passerby "within a second predetermined distance and/or for a second

predetermined period of time" to modify the operation of the gaming machine according to a

play mode. Hedrick does not anticipate any of these elements as it only discloses initiating

wireless communication when the player comes within range of the wireless transmitter. As

explained above, Hedrick does not make determinations of the period of time that a passerby is

detected and the specific distance between the passerby and the gaming machine. Moreover,

Hedrick does not operate the gaming machine in an attract mode and a play mode depending on

the different distance and time that a passerby is detected. New claims 113-119 depend from

new claim 112 and are similarly allowable.

Applicant has added new claim 120 that includes the features of operating a gaming

terminal in a first mode associated with a passerby such that the "gaming terminal interacts with

the passerby in a first manner" after detecting the presence of "a passerby within a first

predetermined distance to the gaming terminal and/or for at least a first predetermined period of

time." New claim 120 also includes the elements of "operating the gaming terminal in a second

mode" and interacting with the passerby in a second manner after detecting the presence of "the

passerby within a second predetermined distance of the gaming terminal and/or for at least a

second predetermined period of time." Hedrick does not anticipate any of these elements.

Hedrick does not operate a gaming machine in different modes to either make determinations of

the period of time that a passerby is detected or the specific distance that a passerby is within the

gaming machine. Moreover, Hedrick does not operate the gaming machine to interact with the

Application No. 10/630,141

Response to Office Action Dated September 18, 2007

passerby in different manners based on different distances or periods of time that a passerby is detected. New claims 121-125 depend from new claim 120 and are similarly allowable.

Conclusion

It is the Applicant's belief that all of the pending claims are in condition for allowance and action towards that end is respectfully requested.

If any matters may be resolved or clarified through a telephone interview, the Examiner is respectfully requested to contact the Applicant's undersigned attorney at the number shown.

Respectfully submitted,

Date: December 12, 2007

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